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**UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII**

UNITED STATES OF AMERICA, Plaintiff, v. SANDWICH ISLES COMMUNI- CATIONS, INC., <i>et al.</i>, Defendants.	Civ. No. 18-145 JMS RT
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**UNITED STATES OF AMERICA’S
MEMORANDUM IN SUPPORT OF MOTION
FOR ORDER APPROVING
CONFIRMATION OF EXECUTION SALE**

Plaintiff the United States of America (“United States”) respectfully requests that the Court grant its Motion for Order Approving Confirmation of Execution Sale (the “Motion”) for the reasons stated herein.

On February 18, 2020, this Court entered an amended judgment in favor of the United States against Sandwich Isles in the amount of \$138,557,635.82 (“Judgment”). ECF No. 226.

On May 1, 2020, the Clerk of Court issued a Writ of Execution in this case. ECF No. 260.

On May 7, 2020, the United States Marshal for the District of Hawaii (the “Marshal”) executed on the property of Sandwich Isles Communications, Inc. (“Sandwich Isles”), and on May 11, 2020, the Marshal filed a notice on the Court’s docket. ECF No. 266.

On April 22, 2024, the Court entered an Order Approving the United States of America’s Unopposed Motion for Order Approving Execution Sale Procedures (“Sale Procedures Order”). ECF No. 535. The Sale Procedures Order set certain bidding requirements and required all bidders to submit a bid by 5:00p.m. on May 13, 2024, to be deemed a “Qualified Bid.”

Pursuant to HRS § 651-43, on May 3, 2024, the U.S. Marshals Service posted copies of the Writ of Execution, a Notice of Execution Sale, and the list of personal property assets to be auctioned at the following four (4) conspicuous

places in the City & County of Honolulu, State of Hawaii: U.S. District Court, 300 Ala Moana Boulevard, Honolulu, HI 96850; Circuit Court of the First Circuit, 777 Punchbowl Street, Honolulu, Hawaii 96813; Honolulu City Hall, 530 S. King Street, Honolulu, Hawaii 96813; and the Hawaii State Library, 478 S. King Street, Honolulu, Hawaii 96813 , as well as posting at the headquarters of Sandwich Isles located at 77-808 Kamehameha Highway, Mililani Hawaii 96789. Iwamuro Declaration, ¶ 4.

On May 9, 2024, May 10, 2024, and May 12, 2024, the execution sale of the Property was duly advertised in the Honolulu Star Advertiser pursuant to HRS § 651-43, setting forth a description of the Property and the date and time of the execution sale. Iwamuro Declaration, ¶ 5; Iwamuro Declaration Exhibit A.

On May 13, 2024, Hawaiian Telcom, Inc. (“HTI”) submitted a bid to purchase SIC’s conduit system and certain entitlements related to the operation of the conduits for \$500,000. Iwamuro Declaration Exhibit B. Waimana Enterprises, Inc. (“Waimana”), and affiliate of SIC, submitted a bid to purchase all of SIC’s property for \$10,000. Iwamuro Declaration Exhibit C.

On May 20, 2024, at 12:00pm, William Jessup, the Acting U.S. Marshal for the District of Hawaii (the “Marshal”), conducted the public execution sale auction (the “Auction”) on the steps in front of, and in the lobby of, the United States Courthouse, 300 Ala Moana Boulevard, Honolulu HI 96850, to sell certain

personal property of Sandwich Isles subject to the Writ of Execution. Iwamuro Declaration, ¶ 8; Culpepper Declaration, ¶ 9.

At the Auction, the Marshal opened bidding at \$500,000 for Lot 1, the assets bid on by HTI. There were no topping bids for Lot 1, and HTI was selected as the successful bidder for Lot 1. Iwamuro Declaration, ¶ 10; Culpepper Declaration, ¶ 10. Waimana's bid is the "Backup Bid." Culpepper Declaration, ¶ 10.

The Marshal then opened bidding at \$100,000 for Lot 2, the remaining personal property of Sandwich Isles subject to the Writ of Execution. No qualified bidder, or other bidder, bid on Lot 2 at the Auction. The Marshal then closed the Auction. Iwamuro Declaration, ¶ 11; Culpepper Declaration, ¶ 11.

HTI paid the balance of the purchase price by May 28, 2024, which the U.S. Marshal currently holds. Iwamuro Declaration, ¶ 12.

In light of the foregoing, the United States therefore respectfully requests that the Court enter the proposed Order Approving Confirmation of Execution Sale.

[Signature Page Follows]

Date: June 10, 2024

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE

Pursuant to L.R. 7.4(e), I hereby certify that the preceding *United States of America's Memorandum in Support of Motion* uses 14-point Times New Roman, consists of 4 pages and 645 words, not including the case caption, exhibits, declarations, signature block, or certificate of compliance. Accordingly, I certify that the document complies with the page and word limits of L.R. 7.4.

/s/Shane Huang
SHANE HUANG